

Anglin-Norcross Corporation Limited

and Subsidiary Companies

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR YEAR ENDING FEBRUARY 28th, 1937

Your Directors submit herewith a Consolidated Balance Sheet showing the condition of the Company at the close of the fiscal year ending February 28th, 1937.

Adequate provision has been made for taxes, depreciation and doubtful debts.

Construction is one of the very few major industries in our country which has not materially emerged from depression depths, in fact statistics the past year show no improvement in contract awards over the previous year, remaining practically fifty percent below normal predepression years.

Naturally our comparative small volume of uncompleted contracts carried forward from the previous year handicapped the results for this period. However, we can report that contract awards on our books to be carried forward into this coming year show a marked improvement both in volume and character.

Nevertheless, by holding our general expense to a minimum and with revenue from investments well maintained, we are enabled to carry a balance to our Profit and Loss Account.

Continued and additional taxation both direct and indirect imposed by Federal, Provincial and Municipal Governments, constitute a heavy burden on your Company and no doubt has a retardent effect on the hoped for recovery of our industry.

To maintain a strong liquid financial condition, your Directors deem it inadvisable at present to declare a dividend or call any Preferred Stock for redemption.

Yours faithfully,

HENRY J. GROSS,

PRESIDENT.

MONTREAL, April 19th, 1937.

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ANGLIN-NORCROSS CORPORATION LIMITED

Consolidated February 28th, 1937

Assets

CURRENT ASSETS:

Cash in Banks.....	\$ 81,706.91	
Bonds, Call Loan and Investments at Cost.....	629,984.35	
(Market Value \$660,306.29)		
Accounts Receivable.....	363,680.94	
Mortgages Receivable.....	5,000.00	
Material Inventories at Cost.....	22,472.82	
TOTAL CURRENT ASSETS.....		\$1,102,845.02

FIXED ASSETS:

Machinery, Tools and Equipment at Cost.....	\$ 324,139.11	
Office Buildings, Mile End Plant and Iberville Granite Cutting Works at Cost.....	184,386.20	
		508,525.31

\$1,611,370.33

We have audited the Books and Accounts of ANGLIN-NORCROSS CORPORATION LIMITED, and its subsidiaries, Anglin-Norcross Quebec Limited, Anglin-Norcross Ontario Limited and National Granite Works Limited for the year to February 28th, 1937.

We have verified the Securities and the Revenue therefrom. The usual Depreciation has been provided on Plant and Equipment, except in the case of the National Granite Works Limited.

In our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company. All our requirements as Auditors have been complied with.

BAKER, BIRNIE & COMPANY,

Chartered Accountants.

MONTREAL, April 1st, 1937.

MITED AND SUBSIDIARY COMPANIES

Balance Sheet

28th, 1937

Liabilities

CURRENT LIABILITIES:

Accounts and Bills Payable	\$ 257,994.16
Income Tax Reserve	5,830.15
Dividends Payable	118.50

TOTAL CURRENT LIABILITIES \$ 263,942.81

RESERVES:

Depreciation	\$ 281,412.30
Contingencies	24,221.84
Investments	72,448.76
General Reserve	118,662.63

496,745.53

CAPITAL:

Preferred 5% Redeemable Non Cumulative	
Authorized and Issued 65,600 Shares	\$ 656,000.00
Less: Redeemed 660 Shares	6,600.00
	\$ 649,400.00

Common No Par Value

Authorized 10,000 Shares	
Issued 6,560 Shares	32,800.00

682,200.00

SURPLUS EARNED 168,481.99

\$1,611,370.33

SURPLUS—EARNED

Loss on completed Contracts after providing for all Operating Expenses, including \$28,889.76 provision for Depreciation for the year to February 28th, 1937 \$ 13,094.26

ADD: Income from Investments \$ 50,155.81

Life Insurance (Additional Surrender Value) 2,407.92

52,563.73

\$ 39,469.47

DEDUCT:

Directors' Fees	\$ 3,250.00
Executives' Salaries	17,400.00
Legal Fees	373.10
Reserve for Income Tax	5,700.00

26,723.10

Net Profit for the Year \$ 12,746.37

Surplus February 29th, 1936 155,735.62

Surplus February 28th, 1937 \$ 168,481.99

Approved— { HENRY J. GROSS } Directors
C. D. HARRINGTON }

Anglin-Norcross Corporation Limited

BOARD OF DIRECTORS

G. W. BIRKS	Montreal	P. N. GROSS	Toronto
A. L. BISHOP	Toronto	C. D. HARRINGTON	Montreal
A. O. DAWSON	Montreal	W. S. LESLIE	Montreal
H. J. GROSS	Montreal	G. L. MAGANN	Toronto

OFFICERS

<i>President</i>	HENRY J. GROSS
<i>Vice-President and Manager</i>	CONRAD D. HARRINGTON
<i>Secretary-Treasurer</i>	GEORGE A. LOWLES
<i>Assistant Secretary-Treasurer</i>	THOMAS A. GUNN

SUBSIDIARY COMPANIES

ANGLIN-NORCROSS QUEBEC LIMITED	892 Sherbrooke St. W., Montreal
ANGLIN-NORCROSS ONTARIO LIMITED	57 Bloor Street West, Toronto
NATIONAL GRANITE WORKS LIMITED	Iberville, Que.
ROSSLIN IMPROVEMENT COMPANY LIMITED	892 Sherbrooke St.W., Montreal